

BAY AREA

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Jack P. Broadbent EXECUTIVE OFFICER/APCO August 27, 2012

Lashun Cross, Senior Planner
Contra Costa County Department of Conservation and Development
Community Development Division
30 Muir Road
Martinez, CA 94533

Subject: Phillips 66 Company Propane Recovery Project NOP

Dear Mr. Cross,

Bay Area Air Quality Management District (District) staff has reviewed the County's Notice of Preparation (NOP) for the Propane Recovery Project (Project) located at the Phillips 66 Refinery in Rodeo. The Project proposes constructing and operating new facilities to recover propane from refinery fuel gas and increase the volume of butane for sale off-site. This includes adding new processing and ancillary equipment at the existing processing units; constructing propane recovery and hydrotreating plants; adding propane vessels and treatment facilities; adding new pipelines and tie-ins to existing pipelines; constructing two additional rail spurs and loading racks; and demolishing unused nearby equipment to accommodate the proposed refinery modifications.

The Project will require an Authority to Construct and Permit to Operate from the District. We encourage early consultation with the District and submit the following comments as a Responsible Agency under CEQA (§15096) regarding the air quality and greenhouse gas analysis.

- 1. The DEIR should discuss the San Francisco Bay Area attainment status for all criteria pollutants and the implications for the region if these standards are not attained or maintained by statutory deadlines; a discussion of the health effects of air pollution (especially on sensitive receptors); and a discussion of greenhouse gas (GHG) emissions and the potential impacts from climate change in the Bay Area.
- 2. The DEIR should provide a map that clearly identifies the project boundary, existing and future planned sensitive receptors (e.g. residences, schools, day cares, hospitals, nursing care facilities, etc.), stationary sources, major roadways and highways, marine terminals, and rail lines within 1,000 feet of the project boundary.
- 3. The District's CEQA Air Quality Guidelines (May, 2012) provides guidance on how to evaluate potential construction, operational, and cumulative air quality impacts. A copy may be downloaded from http://www.baaqmd.gov/Divisions/Planning-and-Research/CEQA-Guidelines.aspx.
- 4. The DEIR should provide a detailed analysis of potential effects on local and regional air quality from construction and operations of the project. This analysis should include an estimation of both maximum daily and annual tons of emissions of reactive organize gases (ROG), nitrogen oxides

(NOx), sulfur dioxide (SO2), hydrogen sulfide (H2S), carbon monoxide (CO), particulate matter (PM2.5 and PM10), and greenhouse gases (GHGs) that could result from the proposed project.

- 5. The DEIR should evaluate the potential health risks from construction and operation activities (including heavy-duty truck traffic, loading racks, and locomotives) to current and future sensitive populations within 1,000 feet of the project area from toxic air contaminants (TACs).
- 6. The DEIR should include a list of all emission sources that require a District permit. This should include the equipment to be installed or modified, maximum operating capacities, and emission abatement or control devices.
- 7. The District permit engineers should be consulted to determine the methodology and emission factors for the air quality and GHG analysis.

District staff is available to assist the County in addressing these comments. If you have any questions, please do not hesitate to contact Ian Peterson, Environmental Planner, at (415) 749-4783 or ipeterson@baaqmd.gov or Brian Lusher, Senior Air Quality Engineer, at (415) 749-4623 or blusher@baaqmd.gov.

Sincerely,

Jean/Roggenkamp

Deputy Air Rollution Control Officer

cc:

BAAQMD Chairperson John Gioia

BAAQMD Director David Hudson

BAAQMD Director Mary Piepho

BAAQMD Director Mark Ross